

Illinois Commerce Commission Gas and Electric Policy Session Coordination between the Natural Gas and Electricity Industries Chicago, Illinois July 9, 2014, 1:00 p.m.

The natural gas and electricity industries provide a service that is critical to the health and safety of Illinois ratepayers. Since natural gas is expected to be relied on much more heavily in electricity generation, the interdependence of these industries merits careful attention. Accordingly, the ICC will hold a Gas and Electric Policy Session to explore the very complicated issues surrounding the coordination between the natural gas and electric industries and the impact of that coordination on reliability in Illinois.

As we have seen over the last few years, natural gas is being used much more heavily in electricity generation. This trend appears likely to accelerate as coal-powered generation is retired, renewable energy resources require more backup by natural gas plants, liquefied natural gas becomes available to be exported, nuclear power plants are faced with risk of closure, and low natural gas prices encourage more use of gas.

The Commission will ask the panelists to address the following questions with respect to the correlation between the natural gas and electricity markets:

- What are the issues of most concern regarding infrastructure adequacy and reliability in Illinois and the region?
 - What is being done to alleviate those issues?
 - What is the impact of those issues on energy prices?
- What changes should be made to current natural gas and electric market business practices (timing of energy day, nomination cycles, etc.) to improve interoperability?
- What problems could occur because of the uncertainty surrounding the life cycle of shale formations and possible shifts in shale gas production due to environmental or other factors?
- What are the lessons learned from the polar vortex and other recent experience?

Welcoming Remarks

1:00-1:05

Chairman Doug Scott



Overview

1:05-1:15

Commissioner John Colgan

Infrastructure Adequacy/Reliability and Impact on Prices

1:15-2:00

Ed Murrell, Deputy Director, Division of Economic and Technical Analysis, Office of Energy Policy and Innovation, FERC

Tia Elliott, Director, Regulatory Affairs, NRG Energy

Joe Gardner, Vice President, Forward Markets and Operations Services, MISO

Business Practices (Timing of energy day, nomination cycles, etc.)

2:00-2:45

Andy Ott, Executive Vice President – Markets, PJM Interconnection

Gene Nowak, Vice President – Transportation & Storage Services, Kinder Morgan Inc.

Tim Sherwood, Vice President, Gas Supply Operations, Nicor Gas

Break

2:45-3:00



Lessons from the Polar Vortex and Other Recent Experience

3:00-3:45

Ed Murrell, Deputy Director, Division of Economic and Technical Analysis, Office of Energy Policy and Innovation, FERC

Rick Smead, Managing Director, Advisory Services, RBN Energy LLC

Closing Remarks

Commissioner John Colgan